

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:)	Chapter 11
)	
W. R. GRACE & CO., <u>et al.</u> , ¹)	Case No. 01-01139 (JKF)
)	(Jointly Administered)
Debtors.)	
)	Hearing Date: June 20, 2011 at 9:00 a.m.
)	Objection Deadline: March 9, 2011 at 4:00 p.m.

**NOTICE OF THIRTY-NINTH INTERIM QUARTERLY FEE
APPLICATION OF REED SMITH LLP FOR COMPENSATION FOR SERVICES AND
REIMBURSEMENT OF EXPENSES AS SPECIAL ASBESTOS PRODUCTS LIABILITY
DEFENSE COUNSEL TO W. R. GRACE & CO., ET AL., FOR THE INTERIM PERIOD
FROM OCTOBER 1, 2010 THROUGH DECEMBER 31, 2010**

To: (1) Office of the United States Trustee; (2) Debtors; (3) Counsel to the Debtors; (4) Counsel to the Official Committee of Unsecured Creditors; (5) Counsel to the Official Committee of Personal Injury Claimants; (6) Counsel to the Official Committee of Asbestos Property Damage Claimants; (7) Counsel to the Official Committee of Equity Holders; (8) Counsel to the debtor-in-possession lenders (the "DIP Lenders"); (9) Fee Auditor; and (10) All Parties requesting notice pursuant to Federal Rule of Bankruptcy Procedure 2002.

PLEASE TAKE NOTICE that on February 14, 2011, Reed Smith LLP, Special Asbestos Products Liability Defense Counsel to the above-captioned debtors and debtors in possession in the above-captioned chapter 11 cases, filed and served the Thirty-Eight Interim Quarterly Application of Reed Smith LLP for Compensation for Services and Reimbursement of Expenses as Special Asbestos Product Liability Defense Counsel to W.R. Grace & Co., *et al.*, for the

¹ The Debtors consist of the following 62 entities: W. R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc.), W. R. Grace & Co.-Conn., A-1 Bit & Tool Co., Inc., Alewife Boston Ltd., Alewife Land Corporation, Amicon, Inc., CB Biomedical, Inc. (f/k/a Circe Biomedical, Inc.), CCHP, Inc., Coalgrace, Inc., Coalgrace II, Inc., Creative Food 'N Fun Company, Darex Puerto Rico, Inc., Del Taco Restaurants, Inc., Dewey and Almy, LLC (f/k/a Dewey and Almy Company), Ecarg, Inc., Five Alewife Boston Ltd., G C Limited Partners I, Inc. (f/k/a Grace Cocoa Limited Partners I, Inc.), G C Management, Inc. (f/k/a Grace Cocoa Management, Inc.), GEC Management Corporation, GN Holdings, Inc., GPC Thomasville Corp., Gloucester New Communities Company, Inc., Grace A-B Inc., Grace A-B II Inc., Grace Chemical Company of Cuba, Grace Culinary Systems, Inc., Grace Drilling Company, Grace Energy Corporation, Grace Environmental, Inc., Grace Europe, Inc., Grace H-G Inc., Grace H-G II Inc., Grace Hotel Services Corporation, Grace International Holdings, Inc. (f/k/a Dearborn International Holdings, Inc.), Grace Offshore Company, Grace PAR Corporation, Grace Petroleum Libya Incorporated, Grace Tarpon Investors, Inc., Grace Ventures Corp., Grace Washington, Inc., W. R. Grace Capital Corporation, W. R. Grace Land Corporation, Gracoal, Inc., Gracoal II, Inc., Guanica-Caribe Land Development Corporation, Hanover Square Corporation, Homco International, Inc., Kootenai Development Company, L B Realty, Inc., Litigation Management, Inc. (f/k/a GHSC Holding, Inc., Grace JVH, Inc., Asbestos Management, Inc.), Monolith Enterprises, Incorporated, Monroe Street, Inc., MRA Holdings Corp. (f/k/a Nestor-BNA Holdings Corporation), MRA Intermedco, Inc. (f/k/a Nestor-BNA, Inc.), MRA Staffing Systems, Inc. (f/k/a British Nursing Association, Inc.), Remedium Group, Inc. (f/k/a Environmental Liability Management, Inc.), E&C Liquidating Corp., Emerson & Cuming, Inc.), Southern Oil, Resin & Fiberglass, Inc., Water Street Corporation, Axial Basin Ranch Company, CC Partners (f/k/a Cross Country Staffing), Hayden-Gulch West Coal Company, H-G Coal Company.

Interim Period from October 1, 2010 through December 31, 2010 seeking compensation in the amount of \$41,003.60 and reimbursement for actual and necessary expenses in the amount of \$1,475.84 (the "Fee Application").

You are required to file with the United States Bankruptcy Court for the District of Delaware, Marine Midland Plaza, 824 Market Street, 3rd Floor, Wilmington, Delaware 19801, an objection to the Fee Application on or before **March 9, 2011 at 4:00 p.m.**

At the same time, you must also serve a copy of the objections or responses, if any, upon the following: (i) Reed Smith, LLP Special Asbestos Products Liability Defense Counsel for the Debtors, James J. Restivo, Jr., Esquire, Reed Smith LLP, 225 Fifth Avenue, Suite 1200, Pittsburgh, PA 15222 (Facsimile number 412.288.3063), and Kurt F. Gwynne, Esquire, Reed Smith LLP, 1201 Market Street, Suite 1500, Wilmington, DE 19801 (Facsimile number 302.778.7575); (ii) counsel for the Debtors, Adam Paul, Esquire, Kirkland & Ellis LLP, 300 North LaSalle, Chicago, IL 60654, Janet S. Baer, Esquire, Baer Higgins Fruchtman LLP, 111 East Wacker Drive, Suite 2800, Chicago, IL 60601; and Laura Davis Jones, Esquire, Pachulski Stang Ziehl &, Jones LLP, 919 North Market Street, 17th Floor, P.O. Box 8705, Wilmington, DE 19899-8705 (Courier 19801) (Facsimile number 302.652.4400); (iii) counsel to the Official Committee of Unsecured Creditors, Lewis Kruger, Esquire, Stroock & Stroock & Lavan, 180 Maiden Lane, New York, New York 10038-4982 (Facsimile number 212.806.6006), and Michael R. Lastowski, Esquire, Duane Morris LLP, 1100 N. Market Street, Suite 1200, Wilmington, Delaware 19801-1246 (Facsimile number 302.657.4901); (iv) counsel to the Official Committee of Asbestos Property Damage Claimants, Scott L. Baena, Esquire, Bilzin, Sumberg, Dunn, Baena, Price & Axelrod, First Union Financial Center, 200 South Biscayne Boulevard, Suite 2500, Miami Florida 33131 (Facsimile number 305.374.7593), and Michael B. Joseph, Esquire, Ferry Joseph & Pearce, P.A., 824 Market Street, Suite 1000, P.O. Box 1351,

Wilmington, Delaware 19899 (Facsimile number 302.575.1714); (v) counsel to the Official Committee of Personal Injury Claimants, Elihu Inselbuch, Esquire, Caplin & Drysdale, 375 Park Avenue, 35th Floor, New York, New York 10152-3500 (Facsimile number 212.644.6755); Marla Rosoff Eskin, Esquire, Campbell & Levine, LLC, 800 King Street, Suite 300, Wilmington, Delaware 19801 (Facsimile number 302-426-9947); (vi) counsel to the DIP Lenders, J. Douglas Bacon, Esquire, Latham & Watkins, Sears Tower, Suite 5800, Chicago, Illinois 60606 (Facsimile number 312.993.9767), and Steven M. Yoder, Esquire, Bayard P.A., 222 Delaware Avenue, Suite 900, P.O. Box 25130, Wilmington, Delaware 19899 (Facsimile number 302-658-6395); (vii) Counsel to the Official Committee of Equity Holders, Thomas Moers Mayer, Esquire, Kramer, Levin, Naftalis & Frankel, LLP, 919 Third Avenue, New York, New York 10022 (Facsimile number 212.715.8000) and Teresa K.D. Currier, Esquire, Saul Ewing LLP, 222 Delaware Avenue, Suite 1200, P.O. Box 1266, Wilmington, DE 19801 ; (viii) the Office of the United States Trustee, Attn: David Klauder, Esquire, 844 N. King Street, Wilmington, Delaware 19801 (Facsimile number 302.573.6497); and (ix) the Fee Auditor, Warren H. Smith, Warren H. Smith and Associates, 325 N. St. Paul, Suite 1250, Dallas, TX 75201 (Facsimile number 214-722-0081).

IF YOU FAIL TO RESPOND OR OBJECT IN ACCORDANCE WITH THIS NOTICE, THE COURT MAY GRANT THE RELIEF REQUESTED IN THE FEE APPLICATION WITHOUT FURTHER NOTICE OR HEARING.

Dated: February 14, 2011
Wilmington, Delaware

REED SMITH LLP

By: /s/ Kurt F. Gwynne
Kurt F. Gwynne (No. 3951)
1201 Market Street, Suite 1500
Wilmington, DE 19801
Telephone: (302) 778-7500
Facsimile: (302) 778-7575
E-mail: kgwynne@reedsmith.com

and

James J. Restivo, Jr., Esquire
Lawrence E. Flatley, Esquire
Douglas E. Cameron, Esquire
Reed Smith Centre
225 Fifth Avenue, Suite 1200
Pittsburgh PA 15222
Telephone: (412) 288-3131
Facsimile: (412) 288-3063

Special Asbestos Products Liability Defense
Counsel